

ENTERED

February 21, 2023

Nathan Ochsner, Clerk

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

_____)	
In re:)	Chapter 11
)	
CORE SCIENTIFIC, INC., <i>et al.</i> ,)	Case No. 22-90341 (DRJ)
)	
Debtors. ¹)	(Jointly Administered)
)	
_____)	

JOINT STIPULATION AND AGREED ORDER**(I) AUTHORIZING THE TENNESSEE VALLEY AUTHORITY TO RETAIN AND USE
THE CASH DEPOSIT MAINTAINED UNDER THE POWER CONTRACT AND****(II) GRANTING RELATED RELIEF**

(Docket No. 311)

This joint stipulation and agreed order (“**Stipulation and Agreed Order**”) is made and entered into by and among (1) Core Scientific, Inc. (“**Core Scientific**”) and the other debtors in possession in the above-captioned chapter 11 cases (the “**Debtors**”), and (2) Tennessee Valley Authority (“**TVA**”), a corporate agency and instrumentality of the United States of America, created by the TVA Act of 1933, as amended, 16 U.S.C. §§ 831-831ee. The Debtors, together with TVA, are collectively referred to herein as the “Parties.” The Parties hereby stipulate and agree as follows:

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (N/A); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisition I, LLC (9717); and American Property Acquisitions, VII, LLC (3198). The Debtors’ corporate headquarters and service address is 210 Barton Springs Road, Suite 300, Austin, Texas 78704.

RECITALS

WHEREAS, Core Scientific entered into a power contract with TVA, effective on May 1, 2019 (“**Power Contract**”) for the purchase of electric power for Core Scientific’s facility located near Calvert City, Kentucky.

WHEREAS, pursuant to the terms of the Power Contract, Core Scientific makes weekly prepayments and maintains a cash deposit with TVA in an amount equal to the weekly prepayment (“**Cash Deposit**”).

WHEREAS, the Power Contract allows TVA to apply the Cash Deposit to cover any amounts for which the Power Contract provides and for which Core Scientific does not make payments, including, but not limited to, minimum bill obligations.

WHEREAS, the Power Contract allows TVA to ask for additional performance assurance, including a cash deposit, a letter of credit, a corporate guaranty, or other security acceptable to TVA, to cover risk outlined in the Power Contract.

WHEREAS, on December 21, 2022, the Debtors commenced these chapter 11 bankruptcy proceedings.

WHEREAS, on December 21, 2022, the Debtors filed the *Emergency Motion of Debtors For Entry of an Order (I) Approving Debtors’ Proposed Form of Adequate Assurance of Payment to Utility Companies; (II) Establishing Procedures for Resolving Objections by Utility Companies; (III) Prohibiting Utility Companies from Altering, Refusing, or Discontinuing Service, and (IV) Granting Related Relief* [Docket No. 8] (“**Emergency Motion**”). The Emergency Motion proposed that Debtors continue to prepay for utility services to prepaid providers, including TVA, in the ordinary course of business consistent with Debtors’ historical

practice prior to the petition. However, the Emergency Motion did not address prepaid providers' use of any cash deposits held as collateral prior to the petition date.

WHEREAS, on December 22, 2022, this Court issued the *Order Approving Debtors' Proposed Form of Adequate Assurance of Payment to Utility Companies; (II) Establishing Procedures for Resolving Objections by Utility Companies; (III) Prohibiting Utility Companies from Altering, Refusing, or Discontinuing Service, and (IV) Granting Related Relief* [Docket No. 119].

WHEREAS, Debtors have informed TVA that, in addition to continuing its pre-petition practice of making weekly prepayments for utility services, Debtors have no objection to TVA retaining Cash Deposit in accordance with the Power Contract.

THEREFORE, IT IS HEREBY STIPULATED AND AGREED, AND UPON APPROVAL BY THE COURT OF THIS STIPULATION AND AGREED ORDER, IT IS SO ORDERED as follows:

1. TVA may retain the Cash Deposit and use the Cash Deposit in accordance with the terms of the Power Contract.
2. All rights of the Debtors and TVA under the Power Contract are otherwise reserved.
3. Nothing contained in this Stipulation and Agreed Order or any actions taken by the Debtors or TVA pursuant to relief granted in this Stipulation and Agreed Order shall be construed as a waiver or limitation of the rights of the Debtors or TVA under the Bankruptcy Code or any other applicable law.
4. The Parties are authorized to take all actions necessary to effectuate the relief granted in this Stipulation and Agreed Order.

5. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Stipulation and Agreed Order to the maximum extent allowed by law under the applicable circumstances.

Signed: February 21, 2023.



DAVID R. JONES
UNITED STATES BANKRUPTCY JUDGE

AGREED TO THIS 20TH DAY OF JANUARY, 2023:

/s/ Alfredo R. Pérez

WEIL, GOTSHAL & MANGES LLP

Alfredo R. Pérez (15776275)
700 Louisiana Street, Suite 1700
Houston, Texas 77002
Telephone: (713) 546-5000
Facsimile: (713) 224-9511
Email: Alfredo.Perez@weil.com

/s/ Edward C. Meade

TENNESSEE VALLEY AUTHORITY

Edward C. Meade
Vera Dygert
400 West Summit Hill Drive
Knoxville, TN 37902
Telephone: (865) 632-7835
Email: ecmeade@tva.gov
vdygert@tva.gov

and

Counsel for TVA

WEIL, GOTSHAL & MANGES LLP

Ray C. Schrock (admitted pro hac vice)
Ronit J. Berkovich (admitted pro hac vice)
Moshe A. Fink (admitted pro hac vice)
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007
Email: Ray.Schrock@weil.com
Ronit.Berkovich@weil.com
Moshe.Fink@weil.com

*Proposed Counsel for Debtors
and Debtors in Possession*

United States Bankruptcy Court
Southern District of Texas

In re:
Core Scientific, Inc.
Official Committee of Unsecured Creditor
Debtors

Case No. 22-90341-drj
Chapter 11

CERTIFICATE OF NOTICE

District/off: 0541-4
Date Rcvd: Feb 21, 2023

User: ADIuser
Form ID: pdf002

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Total Noticed: 35

The following symbols are used throughout this certificate:

Symbol Definition

+ Addresses marked '+' were corrected by inserting the ZIP, adding the last four digits to complete the zip +4, or replacing an incorrect ZIP. USPS regulations require that automation-compatible mail display the correct ZIP.

Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on Feb 23, 2023:

Recip ID	Recipient Name and Address
db	+ American Property Acquisition, LLC, 210 Barton Springs Road, Suite 300, Austin, TX 78704-1251
db	+ American Property Acquisitions I, LLC, 210 Barton Springs Road, Suite 300, Austin, TX 78704-1251
db	+ American Property Acquisitions VII, LLC, 210 Barton Springs Road, Suite 300, Austin, TX 78704-1251
db	+ Core Scientific Acquired Mining LLC, 210 Barton Springs Road, Suite 300, Austin, TX 78704-1251
db	+ Core Scientific Mining LLC, 210 Barton Springs Road, Suite 300, Austin, TX 78704-1251
db	+ Core Scientific Operating Company, 210 Barton Springs Road, Suite 300, Austin, TX 78704-1251
db	+ Core Scientific Specialty Mining (Oklahoma) LLC, 210 Barton Springs Road, Suite 300, Austin, TX 78704-1251
db	+ Core Scientific, Inc., 210 Barton Springs Road, Suite 300, Austin, TX 78704-1251
db	+ RADAR LLC, 210 Barton Springs Road, Suite 300, Austin, TX 78704-1251
db	+ Radar Relay, Inc., 210 Barton Springs Road, Suite 300, Austin, TX 78704-1251
db	+ Starboard Capital LLC, 210 Barton Springs Road, Suite 300, Austin, TX 78704-1251
aty	+ Matthew Ray Brooks, Troutman Pepper Hamilton Sanders LLP, 875 Third Avenue, New York, NY 10022-6225
cr	+ AmTrust North America, Inc. on behalf of Associate, c/o Maurice Wutscher LLP, 23611 Chagrin Blvd. Suite 207, Beachwood, OH 44122-5540
intp	+ Board of Directors of Core Scientific, Inc., c/o Peter C. Lewis, Scheef & Stone, L.L.P., 500 North Akard Street, Suite 2700, Dallas, TX 75201-3306
intp	+ Condair Inc., c/o John S. Collins, Vorys, Sater, Seymour and Pease LLP, 909 Fannin, Suite 2700, Houston, TX 77010-1009
cr	+ Dalton Utilities, Howley Law PLLC, 711 Louisiana Street, Ste. 1850, Houston, TX 77002-2790
cr	+ GEM Mining 1, LLC, c/o Evan N. Parrott, 11 North Water Street, Suite 24290, Mobile, AL 36602-5024
cr	+ GEM Mining 2, LLC, c/o Evan N. Parrott, 11 North Water Street, Suite 24290, Mobile, AL 36602-5024
cr	+ GEM Mining 2B, LLC, c/o Evan N. Parrott, 11 North Water Street, Suite 24290, Mobile, AL 36602-5024
cr	+ GEM Mining 3, LLC, c/o Evan N. Parrott, 11 North Water Street, Suite 24290, Mobile, AL 36602-5024
cr	+ GEM Mining 4, LLC, c/o Evan N. Parrott, 11 North Water Street, Suite 24290, Mobile, AL 36602-5024
cr	+ Indigo Direct Lending, LLC, c/o Ross, Smith & Binford, PC, Attn: Frances A. Smith, 700 N. Pearl Street, Suite 1610 Dallas, TX 75201-7459
cr	+ J.W. Didado Electric, LLC, c/o Leonard I. Pataki, Quanta Services, 4500 S. Garnett Road, Suite 100, Tulsa, OK 74146-5221
cr	+ Maddox Industrial Transformer, LLC, c/o Mary M. Caskey, Esq., Haynsworth Sinkler Boyd, PA, PO Box 11889, Columbia, SC 29211-1889
intp	+ McCarthy Building Companies, Inc., c/o Watt, Tieder, Hoffar & Fitzgerald, L, 1765 Greensboro Station Place, Suite 1000, McLean, VA 22102-3468
cr	+ NextEra Energy Resources, LAW/JB, 700 Universe Blvd., Juno Beach, FL 33408, UNITED STATES 33408-2657
cr	+ Pescadero Capital, LLC, Building LAW/JB, 700 Universe Blvd, Juno Beach, FL 33408, UNITED STATES 33408-2657
cr	+ Tenaska Power Services Co., c/o Ross & Smith, P.C., Attn: Jason Binford, 2003 N. Lamar Blvd., Suite 100 Austin, TX 78705-4932
cr	+ Travis County, c/o Jason A. Starks, P.O. Box 1748, Austin, TX 78767-1748
intp	+ U.S. Bank National Association, as Prepetition Not, c/o Shipman & Goodwin LLP, One Constitution Plaza, Hartford, CT 06103-1803
cr	+ c/o James Bailey Esq Gaylor Electric, Inc., d/b/a, Bradley Arant Boulton Cummings LLP, One Federal Place, 1819 5th Ave. N, Birmingham, AL 35203-2119

TOTAL: 31

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center.

Electronic transmission includes sending notices via email (Email/text and Email/PDF), and electronic data interchange (EDI). Electronic transmission is in Eastern Standard Time.

Recip ID	Notice Type: Email Address	Date/Time	Recipient Name and Address
cr	+ Email/Text: beanland@mssattorneys.com	Feb 21 2023 22:21:00	BEAM Concrete Construction, Inc., c/o Misti L. Beanland, 8131 LBJ Freeway, Suite 700, Dallas, TX 75251-1352
cr	+ Email/Text: dallas.bankruptcy@LGBS.com	Feb 21 2023 22:22:00	Dallas County, Linebarger Goggan Blair &

District/off: 0541-4
Date Rcvd: Feb 21, 2023

User: ADIuser
Form ID: pdf002

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Total Noticed: 35

Sampson, LLP, c/o John K. Turner, 2777 N. Stemmons Freeway, Suite 1000, Dallas, TX 75207-2328

cr + Email/Text: schristianson@buchalter.com

Feb 21 2023 22:21:00

Oracle America, Inc., Buchalter PC, c/o Shawn M. Christianson, 425 Market St., Suite 2900, San Francisco, Ca 94105-2491

cr + Email/Text: neil.orleans@judithwross.com

Feb 21 2023 22:21:00

Tenaska Power Services Co., c/o Ross & Smith, P.C., Attn: Judith W. Ross, 700 N. Pearl Street, Suite 1610, Dallas, TX 75201-7459

TOTAL: 4

BYPASSED RECIPIENTS

The following addresses were not sent this bankruptcy notice due to an undeliverable address, *duplicate of an address listed above, *P duplicate of a preferred address, or ## out of date forwarding orders with USPS.

Recip ID	Bypass Reason	Name and Address
cr		36th Street Capital Partners, LLC
cr		ABLe Communications, Inc.
cr		Ad Hoc Group of Secured Convertible Noteholders
cr		Anchorage Lending CA, LLC
intp		B. Riley Commercial Capital, LLC
cr		Barings BDC, Inc.
cr		Barings Capital Investment Corporation
cr		Barings Private Credit Corp.
cr		BlockFi Lending LLC
cr		BlockFi, Inc. and its affiliated entities
cr		Bremer Bank
cr		CEC Energy Services LLC
cr		Celsius Mining, LLC
cr		Charles Basil
cr		City of Denton
cr		Coonrod Electric Co. LLC
cr		General Casualty Company of Wisconsin
intp		Harper Construction Company, Inc.
cr		Huband-Mantor Construction, Inc.
cr		Humphrey & Associates, Inc.
cr		MK Marlow Company, LLC
cr		MP2 Energy Texas LLC d/b/a Shell Energy Solutions
cr		Marnoy Interests, Ltd. d/b/a Office Pavilion
cr		MassMutual Asset Finance, LLC
cr		Mitch Edwards
cr		NYDIG ABL LLC
cr		Official Committee of Unsecured Creditors
cr		Prime Alliance Bank, Inc.
cr		Priority Power Management, LLC
intp		SRPF A QR Riversouth LLC
cr		Sphere 3D Corp.
cr		TOYOTA INDUSTRIES COMMERCIAL FINANCE INC.
cr		Texas Capitalization Resource Group, Inc., 5201 Camp Bowie Blvd. Suite 200, Fort Worth
intp		The Ad Hoc Equity Group
intp		Trinity Capital Inc.
cr		Wingspire Equipment Finance, LLC

TOTAL: 36 Undeliverable, 0 Duplicate, 0 Out of date forwarding address

NOTICE CERTIFICATION

I, Gustava Winters, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.

District/off: 0541-4

User: ADIuser

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Date Rcvd: Feb 21, 2023

Form ID: pdf002

Total Noticed: 35

Meeting of Creditor Notices only (Official Form 309): Pursuant to Fed .R. Bank. P.2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.

Date: Feb 23, 2023

Signature: /s/Gustava Winters